

SESSION # 17

STUDENT ELIGIBILITY



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2020 FSA Training Conference *for Financial Aid Professionals*
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COVID-19

- This session will not address specific adjustments or allowances related to the current COVID-19 national emergency and a student's *Title IV* eligibility
- For information related to COVID-19 and any additional guidance currently afforded institutions with respect to student eligibility, please attend or review:
 - General Session #5, Federal Update: COVID-19 Higher Education Policy

AGENDA

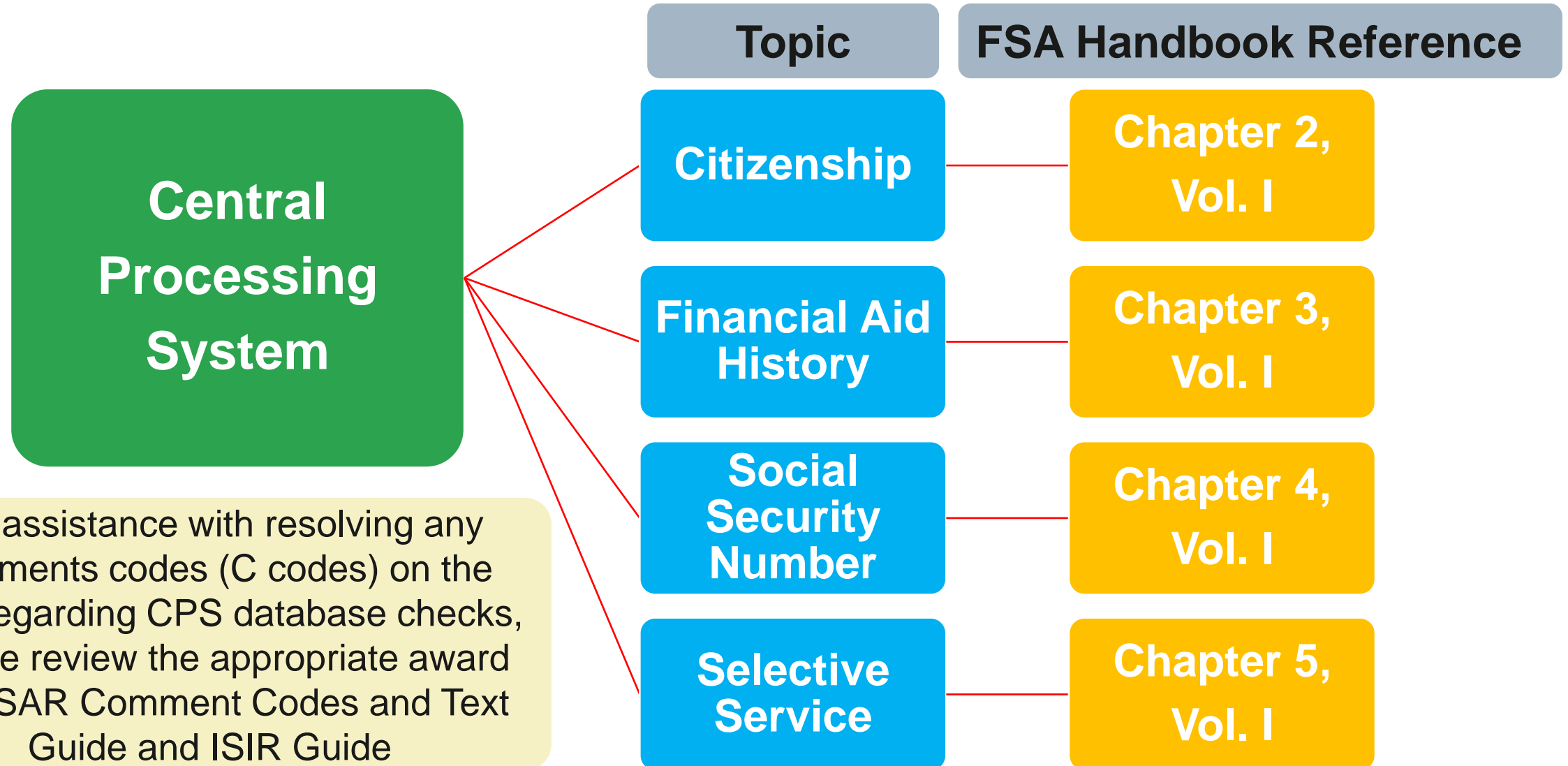
1. Free Application for Federal Student Aid (FAFSA®) Eligibility Determinations
2. School-Determined Eligibility Requirements
3. Eligibility for Specific FSA Programs
4. Resources and References



1. FAFSA® PROCESSING



CPS DATABASE CHECKS



CITIZENSHIP



ELIGIBLE CITIZENSHIP CATEGORIES

- U.S. Citizen or National
- U.S. Permanent Resident or other Eligible Noncitizen
- Citizen of the Freely Associated States



ELIGIBLE NONCITIZEN CATEGORIES

- Lawful Permanent Residents (LPRs)
- Conditional Resident Aliens
- Refugee
- Asylee
- Parolee – Expires or Indefinite
- Cuban-Haitian Entrants
- Conditional Entrants
- Victims of Human Trafficking
- Battered Immigrants-Qualified Aliens
- American Indian Born in Canada/Jay Treaty

RESOLVING CITIZENSHIP ELIGIBILITY ISSUES

2019 FSA Training Conference: [Session #19 Student Eligibility](#)

A student must be a citizen, a citizen of a freely associated state, or an eligible noncitizen to receive federal student aid. This session describes the process for confirming eligibility via database matches, eligible immigration categories, and related documentation.

This session also describes the Systematic Alien Verification for Entitlements Program (SAVE) process used to complete third step verification of immigration status.

DATABASE MATCHES

The FAFSA® is matched with the Social Security Administration (SSA) for U.S. Citizenship status.

A FAFSA that has an Alien Registration Number (ARN) is matched against Department of Homeland Security (DHS) records to check for a qualifying non-citizen status.

If the DHS match fails after automated primary and secondary verification, the school must conduct a third step verification through the Systematic Alien Verification for Entitlements (SAVE) system.

DHS-SAVE 3RD STEP VERIFICATION

SAVE Instructions for U.S. Department of Education (School) Users
Version 3.0 document is available on IFAP at [DHS-SAVE, Eligible Noncitizen](#).

Version 3.0 combines all SAVE system process and procedure changes from the most recent communications with schools and contains three videos:

- SAVE Account Set-up and Management
- SAVE Navigation and Response Screens
- Resend Record to Matches

DHS-SAVE VERIFICATION: HELP AND SUPPORT

Email questions to: applicationprocessingdivision@ed.gov or call and leave a message on the APD voicemail at: 202-377-4600

Provide the following information:

- Student's DHS Verification Number
- Your name
- Your question
- Your phone number

Note: Do not call the SAVE Call Center because they do not have a full understanding of our unique SAVE system access.

FINANCIAL AID HISTORY



FINANCIAL AID HISTORY

To be eligible for federal financial aid, a student can not:

- Have an unresolved loan default
- Have an unresolved overpayment
- Have inadvertently over-borrowed annual or aggregate loan limits
- Have been convicted/pled no contest or guilty involving fraud in obtaining *Title IV* aid
- Be in possession of property subject to judgment/lien for debt owed to U.S.

DATABASE MATCHES

To help you identify students with problems such as defaulted loans or overpayments, the CPS matches the student against the *National Student Loan Data System* (NSLDS®) database to obtain his/her financial aid history.

You must resolve any conflicts between NSLDS and other information you have about the student before disbursing *Title IV* aid.

The results of the NSLDS match are provided on the SAR and ISIR on the NSLDS Financial Aid History page.

NSLDS® – TOTAL AND PERMANENT DISABILITY (TPD)

Federal student loans and TEACH Grant service obligations may be discharged if the borrower/grant recipient becomes TPD

If an individual who received a TPD discharge-wishes to receive a new Direct Loan or TEACH Grant, he or she must provide the school with:

- physician's certification that he or she can engage in substantial gainful activity, and
- a signed statement acknowledging that the new loan or TEACH Grant service obligation cannot later be discharged based on any present impairment unless it deteriorates so that the individual is again TPD

The school does not need to provide this documentation to FSA; just retain it.

NSLDS® – TOTAL AND PERMANENT DISABILITY

In addition, if an individual (other than someone who received a veteran's TPD discharge) wants to receive a new loan or TEACH Grant within 3 years after a prior TPD discharge, the previously discharged loan or TEACH Grant service obligation must be reinstated.



NSLDS® HISTORY – REGAINING ELIGIBILITY

A student in default on a federal loan cannot receive further *Title IV* funds until they resolve the default, which can be accomplished in a few ways:

- Repayment in full
- Satisfactory repayment arrangements
- Loan rehabilitation

A student who exceeds loan limits through inadvertent overborrowing, also cannot receive further *Title IV* funds until the overpayment is resolved by:

- Repayment in full
- Reaffirmation
- Loan consolidation

NSLDS® HISTORY – REGAINING ELIGIBILITY

For more information about inadvertent overborrowing eligibility issues, please review:

- DCL GEN-13-02 [Regaining Title IV Eligibility After Exceeding Loan Limits and Treatment of Loan Funds When a Student Fails to Begin Attendance](#)
- FSA Handbook, Volume 4, Chapter 3
- July 18, 2019 Elec. Ann. – [Revised Loan Reaffirmation Agreement](#)

SOCIAL SECURITY NUMBER



SOCIAL SECURITY NUMBER (SSN)

The FAFSA collects the student's and dependent student's parent(s) Social Security numbers (SSNs) so that the Central Processing System (CPS) can validate the numbers through a match with the Social Security Administration (SSA).

The CPS verifies that the name and date of birth associated with the SSN match the name and date of birth on the application.

The CPS will not process an application without an SSN. There is one exception to the requirement to provide SSNs for FAFSA applicants from Freely Associated States.

If the student's parent(s) do not have SSNs, they must enter 000-00-0000.

SOCIAL SECURITY NUMBER – EXCEPTION

Persons from the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau (the Freely Associated States) typically do not have SSNs.

First-time FAFSA filers who indicate on the FAFSA their state of legal residence is one of the above Pacific Islands should only enter “666” for the first three digits of their SSN, then the CPS will assign them an identification number.

For returning FAFSA filers from one of the Freely Associated States, any FAFSAs must be submitted under the same nine-digit pseudo-SSN assigned originally by the CPS when the earlier award year was processed.

DATABASE MATCHES

- Successful match
- No match on SSN
 - Wrong SSN on FAFSA
 - FAFSA data entry error
 - Error in SSA database
- No match on name or birth date
- Missing information
- Date of death





SELECTIVE SERVICE



SELECTIVE SERVICE

Registration requirements:

- 18- to 25-year-old males
- Registering with SSS or on the FAFSA

When registration is NOT required:

- Active duty serving in the Armed Forces
- Not yet 18 at the time that they complete their applications
- Born before 1960
- Citizens of the Freely Associated States
- Noncitizens who first entered the U.S. after age 26
- Applicants were unable to register due to being hospitalized, incarcerated, or institutionalized

DATABASE MATCH

All male students go through a match with Selective Service System to verify compliance with requirements:

- Successful Match
 - The student is eligible for aid
- Unsuccessful Match
 - Student must either register or provide evidence that he is registered or is exempt from registration or;
 - If certain information is missing, CPS will not be able to forward the student for registration

SELECTIVE SERVICE - FAILURE TO REGISTER

Students who knew of the registration requirement but chose not to register are considered to have knowingly and willfully failed to register and are therefore ineligible for federal student aid.

When deciding whether the student had knowingly and willfully failed to register, you should consider the following factors:

- Where the student lived when he was aged 18–25
- Whether the student claims that he thought he was registered
- Why the student claims he was not aware of the widely publicized requirement to register when he was aged 18–25
- Selective Service status information letter outcome

2. SCHOOL-DETERMINED REQUIREMENTS



SCHOOL-DETERMINED REQUIREMENTS

- Regular student in an eligible program
- Elementary or secondary enrollment
- Academic qualifications
- Satisfactory academic progress (SAP)
- Enrollment status
- Drug convictions
- Incarcerated students
- Conflicting information
- Change in eligibility status

REGULAR STUDENT/ELIGIBLE PROGRAM

Regular student is someone enrolled/accepted for enrollment in eligible institution to obtain degree or certificate

- Conditional acceptance – only considered regular student if school officially admits into eligible program
- Remedial coursework – if admitted into eligible program and remedial part of program, may include up to one year's worth in enrollment status for *Title IV* purposes
 - One year is equivalent to 45 quarter credits, 30 semester/trimester credits, or 900 clock-hours

REGULAR STUDENT/ELIGIBLE PROGRAM – EXCEPTION

Students with an intellectual disability can receive funds from the Federal Pell Grant Program, Federal Supplemental Educational Opportunity Grant (FSEOG) Program, and Federal Work-Study (FWS) Program.

They must be enrolled or accepted for enrollment in a *comprehensive transition and postsecondary program* for students with intellectual disabilities that is specifically approved by FSA on the E-App and must maintain satisfactory academic progress for this program.

These students:

- do not have to be enrolled for the purpose of obtaining a degree or certificate, and
- are not required to have a high school diploma or its recognized equivalent.

REGULAR STUDENT/ELIGIBLE PROGRAM – EXCEPTION

Preparatory coursework

- Student (or parent in case of dependent student) may apply for Direct Loans for coursework school determines necessary for enrollment in eligible program (prerequisite for admission into program)
- Coursework must be part of an eligible program at school
- Student eligible for specified loan amounts for one consecutive 12-month period
- A student may take the preparatory courses at School A (as long as they are part of an eligible program there) to prepare for enrollment at School B. Also, as the awarding school, school A may require documentation from School B that these courses are required for the student's subsequent enrollment

ELEMENTARY OR SECONDARY ENROLLMENT

A student cannot receive *Title IV aid* while enrolled in elementary or secondary enrollment, even if enrolled in college coursework at same time.

A Student is considered enrolled if pursuing a high school diploma or if completed requirements for diploma, has not yet received it, and is either:

- Taking college coursework for which high school gives credit, OR
- High school still considers student enrolled there

ACADEMIC QUALIFICATIONS

To receive *Title IV* funds, a student must be qualified to study at the postsecondary level.

A student qualifies if he or she:

- has a high school diploma (this can be from a foreign school if it is equivalent to a U.S. high school diploma)
- has the recognized equivalent of a high school diploma, such as a general educational development (GED) certificate or other state-sanctioned test or diploma-equivalency certificate
- has completed homeschooling at the secondary level as defined by state law
- has completed secondary school education in a homeschool setting which qualifies for an exemption from compulsory attendance requirements under state law, if state law does not require a homeschooled student to receive a credential for their education
- has completed one of the ability-to-benefit (ATB) alternatives and is either currently enrolled in an eligible career pathway program or first enrolled in an eligible postsecondary program prior to July 1, 2012

HIGH SCHOOL DIPLOMA

Final regulations published on [Oct. 29, 2010](#), require institutions to develop and follow procedures to evaluate the validity of a student's high school completion if the institution or the Secretary has reason to believe that the high school diploma is not valid or was not obtained from an entity that provides secondary school education.

An institution establishes and follows a process to evaluate the validity of a student's high school completion which includes:

- (1) receiving documentation from the secondary school that confirms the validity of the student's diploma, and
- (2) confirming with or receiving documentation from the relevant department or agency in the state in which the secondary school is located that the secondary school is recognized as a provider of secondary school education, then the institution is in compliance with 34 CFR 668.16(p)

[Checking the Validity of a Student's High School Completion](#) posted July 23, 2019

RECOGNIZED EQUIVALENTS OF A HIGH SCHOOL DIPLOMA

The Department recognizes several equivalents to a high school diploma:

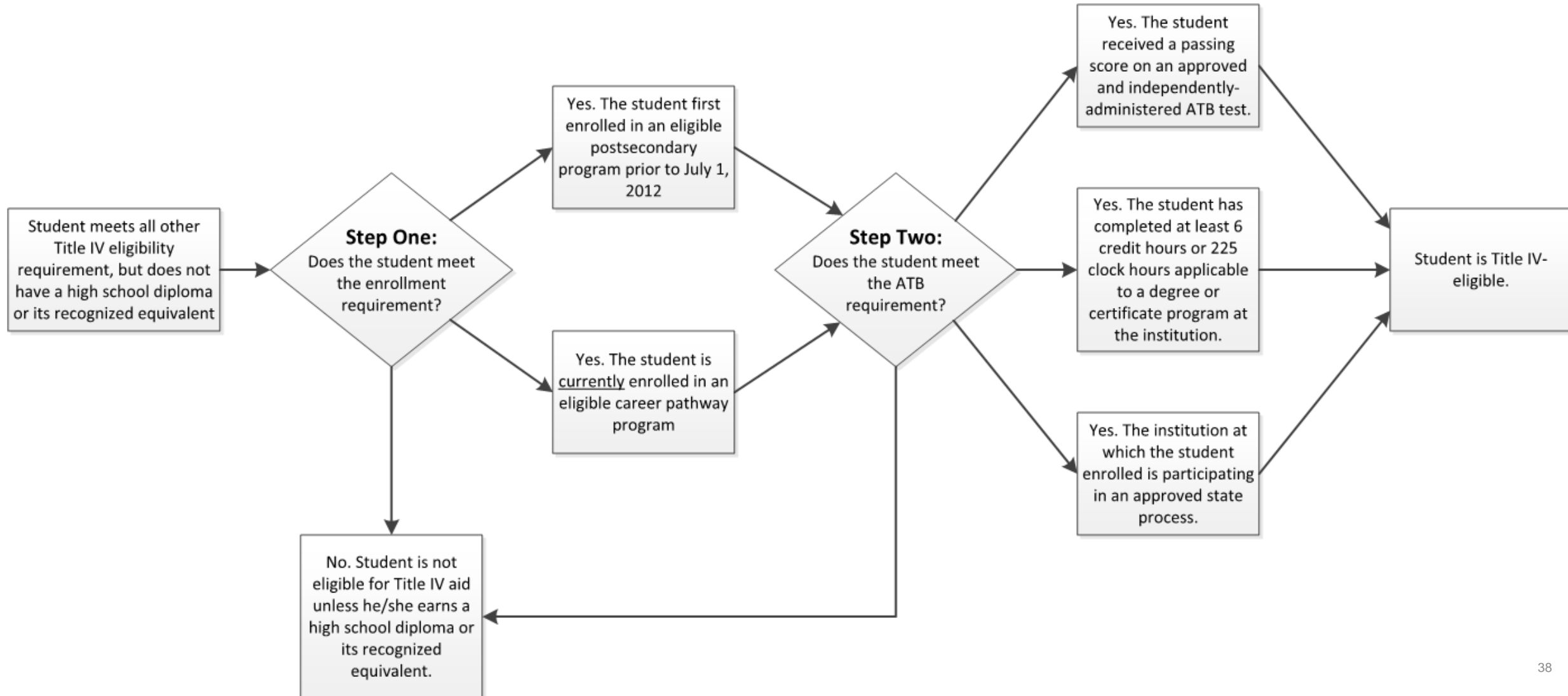
- a General Educational Development (GED) certificate
- a State certificate or other official documentation demonstrating that the student has passed a state-authorized examination that the state recognizes as the equivalent of a high school diploma
- an associate degree
- successful completion of at least 60 semester or trimester credit hours or 72 quarter credit hours that does not result in the awarding of an associate degree, but that is acceptable for full credit toward a bachelor's degree at any institution
- the student excelled academically in high school and has met the formalized, written policies of that postsecondary institution for admitting such students and is starting a program that leads at least to an associate degree or its equivalent

ABILITY TO BENEFIT (ATB)

Students without a high school diploma may become eligible for *Title IV aid* through the ATB alternatives in one of two ways:

1. If a student first enrolled in an eligible postsecondary program prior to July 1, 2012, the student may enroll in any eligible program and can become eligible through one of the ATB alternatives.
2. If a student first enrolled in an eligible postsecondary program on or after July 1, 2014, the student may only become eligible through one of the ATB alternatives if the student is enrolled in an “eligible career pathway program.”

ATB FLOWCHART



ELIGIBLE CAREER PATHWAY PROGRAMS

Under section 484(d)(2) of the HEA, an eligible career pathway program means a program that combines rigorous and high-quality education, training, and other services that—

- Aligns with the skill needs of industries in the economy of the State or regional economy involved;
- Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of Aug. 16, 1937 (commonly known as the ‘National Apprenticeship Act’; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.);
- Includes counseling to support an individual in achieving the individual’s education and career goals;
- Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
- Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
- *Enables an individual to attain a high school diploma or its recognized equivalent, and at least one recognized postsecondary credential; and*
- Helps an individual enter or advance within a specific occupation or occupational cluster

DCL GEN 16-09 [Changes to Title IV Eligibility for Students Without a Valid High School Diploma Who Are Enrolled in Eligible Career Pathway Programs](#)

SATISFACTORY ACADEMIC PROGRESS (SAP)

To be eligible for *Title IV* funds, a student must make satisfactory academic progress, and your school must have a reasonable policy for monitoring that progress.

Your SAP policy must be at least as strict as your SAP policy for students enrolled in the same program of study who are not receiving *Title IV* funds at your school, and it must apply to all students within categories, e.g., full-time, part-time, undergraduate, and graduate students.

SATISFACTORY ACADEMIC PROGRESS (SAP)

Your school's policy must specify that certain key measurements are reviewed at each evaluation point, including:

- Quantitative (time-based, pace)
- Qualitative (grade-based, GPA)
- Maximum time frame

You may review SAP more frequently, (for example, monthly), but the more frequent reviews do not replace the review that is required to be conducted at the end of the payment period.

Your policy must explain how GPA and pace of completion are affected by course incompletes, withdrawals, and repetitions, and by transfer credits from other schools and between programs.

NEW SAP REGULATIONS

- On September 2, 2020, the Department published final regulations with the following SAP changes:
 - An institution may establish a term-based credit hour program's maximum time frame in credit hours or in calendar time. If an institution establishes a maximum time frame in terms of calendar time, it evaluates a student's pace by determining the number of hours that the student should have completed at the evaluation point in order to complete the program within the maximum timeframe.
 - A SAP pace evaluation (quantitative) for a non-term credit or clock hour program is NO LONGER required (due to payment period completion requirements).
- New regulations effective 7/1/21 or can be early implemented as of 9/2/20

For further discussion about the new SAP regulations, please attend or review
Session #12, Regulatory Update – Distance Education

SATISFACTORY ACADEMIC PROGRESS

For more information on SAP –

2020 FSA Training Conference:

Session #7: Satisfactory Academic Progress: A Series of Q & As

2019 FSA Training Conference:

[Session #6: Understanding Your Satisfactory Academic Progress \(SAP\) Policy](#)

ENROLLMENT STATUS

- A school's definition of a full-time workload for a program must be used for all students in that program and must be the same for all federal student aid-related purposes
- Your school's *undergraduate* full-time workload, must meet minimum ED standards
 - For *graduate* students, the school determines number of hours for full-time course load
 - For standard term graduate programs, must use the same full-time definition in each regular term in the academic year but can have a different full-time definition for a summer term
- To be enrolled half time, a student must be taking at least half of the course load of a full-time student
 - Half-time status required to be eligible for Direct Loans and Additional Year-Round Pell

DRUG CONVICTIONS

Federal or state conviction of possession or sale of drugs may disqualify a student from *Title IV* eligibility.

Must be for offense that occurred during period of enrollment for which student was receiving *Title IV* aid.

	Possession of illegal drugs	Sale of illegal drugs
1st offense	1 year from date of conviction	2 years from date of conviction
2nd offense	2 years from date of conviction	Indefinite period
3+ offenses	Indefinite period	

INCARCERATED STUDENTS

Incarcerated students not eligible for Federal Loans but are eligible for FSEOG and FWS

- Students incarcerated in a juvenile justice facility, a local or county jail, or a local or county penitentiary or correctional facility are potentially eligible for Pell Grants
- Students incarcerated in federal or state penal institution are NOT eligible for Pell Grants

Incarcerated is defined as serving criminal sentence in federal, state or local penitentiary, prison, jail, reformatory, work farm, or similar correctional institution

- Halfway house, home detention, or serving only weekends is NOT considered incarceration

School may accept student's written self-certification that they are no longer incarcerated

CONFLICTING INFORMATION

If your school has conflicting information for a student or you have any reason to believe their application is incorrect, you must resolve such discrepancies before disbursing *Title IV* funds.

If you discover a discrepancy after disbursing *Title IV* funds, you must reconcile the conflicting information and require the student to repay any aid for which they were not eligible, unless they are no longer enrolled for the award year and will not re-enroll.

For more information on conflicting information, please refer to the Application and Verification Guide and Volume 2, Chapter 3.

CHANGE IN ELIGIBILITY STATUS

In general, a student who gains eligibility may receive Pell Grant, TEACH Grant, and campus-based funds for the entire payment period and Direct Loan funds for the period of enrollment in which he or she becomes eligible.

A student is eligible for Pell Grant, TEACH Grant, and campus-based aid for the entire award year, not just the payment period, in which they become eligible by:

- meeting the requirements for citizenship (includes eligible noncitizen status),
- having a valid Social Security number, or
- being registered for Selective Service.

A student cannot receive any federal student aid after losing eligibility, unless they qualify for a late disbursement.

3. FSA PROGRAM ELIGIBILITY



FEDERAL PELL GRANTS

- Generally, undergraduate students only
- Pell Grant Lifetime Eligibility Used (LEU)
 - All students subject to 600% limit on Pell Grants
- Incarcerated students
 - Incarcerated in local institutions are Pell Grant eligible
 - Cost of Attendance (COA) must only include tuition and fees, books and supplies necessary for student's program of study
- Sex offenders
 - Not Pell Grant eligible if subject to involuntary civil commitment following incarceration for sexual offense

IRAQ AND AFGHANISTAN SERVICE GRANTS AND ZERO EFCs

Eligible students whose parent/guardian died as a result of military service in Iraq or Afghanistan after 09/11/01 may receive increased *Title IV* funds if at the time of the parent or guardian's death the student was either less than 24 years old or was enrolled in college.

- If Pell Grant eligible, the student is eligible for a Pell Grant and eligibility for all *Title IV* aid is calculated on an EFC of zero
- If not Pell Grant eligible, award Iraq and Afghanistan Service Grant (IASG) in amount equal to Pell for award year (reduced by Federal sequestration requirement)
 - Does not count as estimated financial assistance (EFA)

CHILDREN OF FALLEN HEROES SCHOLARSHIP ACT

Under the Children of Fallen Heroes Scholarship Act (CFH), an *otherwise Pell-eligible* student whose parent or guardian died as a result of active service in the line of duty as a Public Safety Officer (defined under 42 U.S.C. 3796b, or a fire police officer) shall receive the maximum Pell Grant if the student was less than 24 years old when the parent or guardian died, or was enrolled in college at the time of the parent or guardian's death.

- A school must use an EFC of 0 to package *all* federal student aid
- Schools must set eligibility flag 402 in FAA Access for the student and any subsequent schools may rely on this 402 comment code on the student's ISIR as evidence of the student's CFH eligibility rather than ask for documentation from the previous school
- In subsequent award years, the student continues to be eligible for CFH benefits, as long as the student has a Pell-eligible EFC and continues to be an eligible student

CAMPUS-BASED AID GENERAL REQUIREMENTS

A student enrolled as an undergraduate, graduate, or professional student is eligible to receive assistance from the Federal Work-Study (FWS) program.

Only undergraduate students who do not have a baccalaureate or first professional degree are eligible to receive Federal Supplemental Educational Opportunity Grants (FSEOGs).

TEACH GRANTS

Students must:

- Be enrolled in a TEACH Grant-eligible program
- Sign an agreement to serve (ATS)
 - teach in a high-need field:
 - at an elementary or secondary school or educational service agency serving low income students
 - for four complete years within eight years of ceasing enrollment at the institution where he or she received the TEACH Grant

If conditions in ATS are not met, TEACH Grant converts to a Direct Unsubsidized Loan.

New TEACH Grant Regulations: [Final Federal Register 8/14/20](#)

4. RESOURCES AND REFERENCES



RESOURCES/REFERENCES

- FSA Assessments

- <https://ifap.ed.gov/ilibrary/document-types/fsa-assessments>

- 34 CFR 668.2 (definitions); 668.32 (student eligibility); 668.33 (citizenship); 668.34 (SAP); 668.35 (student debts); 668.36 (SSN); 668.37 (selective service); 668.40 (drug convictions); 668.130-139 (eligible noncitizens); 668.141-156 (ATB tests and procedures)

- 2020-2021 FSA Handbook, Volume 1

- Policy Q & A webpage on program integrity regulations

- Upper right-hand side of IFAP under “Hot Topics”

- <https://www2.ed.gov/policy/highered/reg/hearulemaking/2009/integrity-qa.html>

CONTACTS

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QUESTIONS?

Please send your inquiries about the general administration
of the *Title IV* programs to AskAFed@ed.gov.

The Ask A Fed email box is staffed every business day by a team of FSA
Training Officers ready to assist schools with their questions.